



Foreign Agricultural Service

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# **China, People's Republic of**

## **Food and Agricultural Import Regulations and Standards**

### **Catalogue for the Guidance of Industries for Foreign Investment**

### **2001**

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#### **Report Highlights:**

**This is an UNOFFICIAL translation of the People's Republic of China *Catalogue for the Guidance of Industries for Foreign Investment* and should be used as a guide only. Exporters should carefully discuss regulations and their application with Chinese importers to ensure that their interpretation of the regulation is accurate.**

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Includes PSD changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
Beijing [CH1], CH

This report was prepared by the Office of Agricultural Affairs of the USDA/Foreign Agricultural Service in Beijing, People's Republic of China for U.S. exporters of domestic food and agricultural products. While every possible care was taken in the preparation of this report, information provided may not be completely accurate either because policies have changed since its preparation, or because clear and consistent information about these policies was not available. It is highly recommended that U.S. exporters verify the full set of import requirements with their foreign customers, who are normally best equipped to research such matters with local authorities, before any goods are shipped. FINAL IMPORT APPROVAL OF ANY PRODUCT IS SUBJECT TO THE IMPORTING COUNTRY'S RULES AND REGULATIONS AS INTERPRETED BY BORDER OFFICIALS AT THE TIME OF PRODUCT ENTRY.

### **Summary**

This Catalogue for the Guidance of Industries for Foreign Investment list general industries where foreign investment is encouraged, restricted, and prohibited. This Catalogue was published by the State Planning Commission, the State Economic and Trade Commission, and the Ministry of Foreign Trade and Economic Cooperation on December 31, 1997. This edition was printed by the China Legal Publishing House on June 1, 2001. The scope of the material is general and many of the details have not been completed or published. A new version of the Catalogue is under discussion. The Beijing Agricultural Affairs Office has only included the material from a few industries in this GAIN report.

### **Catalogue for the Guidance of Industries for Foreign Investment**

(Approved by the State Council on December 29, 1997, and revised and published by the State Planning Commission, the State Economic and Trade Commission and the Ministry of Foreign Trade and Economic Cooperation on December 31, 1997).

### **Chapter One: Catalogue of Industries Where Foreign Investment is Encouraged**

#### **Section 1. Agriculture, Forestry, Animal Husbandry, Fishery, and Related Industries.**

- Reclamation and development of wastelands, barren hills, beaches (except those with military installations), and improvement of medium and low-yielding fields.
- Development of new varieties of fine quality, high-yielding crops; including sugar crops, fruit trees, vegetables, flowers and plants, forage grass, and related technologies.
- Serial production and soil-absent cultivation of vegetables, flowers, and plants.
- Planting of forest trees and introduction of improved seeds of forest trees.
- Breeding of improved strains of domestic animals and fowls, and aquatic fingerlings (excluding improved strains of rare domestic species).
- Cultivation of famous, unique, and choice aquatic products.
- New varieties of highly effective and safe agricultural chemicals and pesticides (with 80% or above fatality rate to insects and bacteria while remaining safe to people, animals, and crops).
- High-density fertilizers (potash fertilizer, phosphate fertilizer).
- Development of new technologies for the production of agricultural films and new products (fiber film, photolysis film, multi-functional film, and raw materials).
- Antibacterial raw medicines for animals (including antibiotics and chemical compound medicines).
- New products and preparations of anti-scolic, insecticide, and anti-coddiosis medicines for animals.
- Development of animal feed additives and feed protein resources.
- New technologies and equipment for the storage, preservation, desiccation, and processing of food

- grains, vegetables, fruits, meat products, and aquatic products.
- Forestry chemicals and new technologies and products for the comprehensive utilization of "sub-quality, small, and firewood" lumber and bamboos in the forest areas.
- Construction and operation for comprehensive utilization of key water conservation works (with the Chinese party accounting for a control or leading position).
- Manufacture of new technical equipment for water-saving irrigation.
- Manufacture of new technical equipment for farm implements.
- Ecological environmental improvement and construction projects.

#### Section 2. Light Industry.

- Design, processing, and manufacture of molds for non-metal products.
- Paper pulp (with an annual production of 170,000 tons and more wood pulp, and having corresponding raw materials bases).
- Post-stripping ornament and processing of leather and the manufacture of new technical equipment.
- Production of non-mercury alkali-manganese secondary batteries and lithium-ion batteries.
- Production of special industrial sewing machines with high-technology content.
- Production of poly-imide preservation films.
- Production of new high-efficiency enzyme preparations.
- Production of synthetic spices and single ion spices.
- Research and popularization of applied technology of Freon substitution.
- 2.10. Processing of cellulose di-acetate and tows for cigarette making.

#### Section 3. Textile Industry.

- Wood pulp for textile chemical fibers (with an annual production of 100,000 tons or more, and having the corresponding raw materials bases).
- Special textiles for industrial use.
- Printing and dyeing of high-emulation chemical fibers and high-grade textile cloth and their post arrangement and processing.
- Production of auxiliaries, finishing oils, dyes, and chemicals for textiles.

#### Section 4. Permitted Projects with All Products Designated for Direct Export.

### **Chapter Two: Catalogue of Industries Where Foreign Investment is Restricted (Category A)**

#### Section 1. Light Industry.

- Production of washing machines, refrigerators, freezers.
- Synthetic emtrol, alcohol ether, and alcohol ether sulphate.
- Production of compressors with a shaft power of less than 2 kilowatts used for air conditioners and refrigerators.

#### Section 2. Textile Industry.

- Chemical fiber drawn work conventional chippers.
- Production of viscose staple fiber with single-line capacity of less than 20,000 tons per year.

### **Chapter Three: Catalogue of Industries Where Foreign Investment is Restricted (Category B)**

**Section 1. Agriculture, Forestry, Animal Husbandry, Fishery, and Related Industries.**

- Development and production of seeds of food grains, cotton, and oil crops (with the Chinese party accounting for the control or leading position).
- Processing and export of logs of precious varieties of trees (wholly foreign-owned enterprises shall be prohibited).
- In-shore and inland water fishing (wholly foreign-owned enterprises shall be prohibited).
- Cultivation of traditional Chinese medicinal materials (wholly foreign-owned enterprises shall be prohibited).

**Section 2. Light Industry.**

- Production of table salt or industrial salt.
- Production of foreign brands non-alcoholic beverages (including solid beverages).
- Production of millet wine and famous brands of distilled spirits.
- Tobacco processing industries such as cigarettes and filter tips.
- Processing and production of wet blue hides from pigs, cattle, and sheep.
- Production of natural spices.
- Processing of fats or oils.
- Paper and paper boards.

**Section 3. Textile Industry.**

- Wool or cotton spinning.
- Raw silks or gray silk fabrics.
- High-emulation chemical fibers and special chemical fibers such as aramid fiber, and carbon fibers (wholly foreign-owned enterprises are prohibited).
- Fiber-grade and non-fiber use polyester, acrylic fiber, and spandex (wholly foreign-owned enterprises are prohibited).

**Chapter Four: Catalogue of Industries Where Foreign Investment is Prohibited.****Section 1. Agriculture, Forestry, Animal Husbandry, Fishery, and Related Industries.**

- Wild animal and plant resources protected by the State.
- Rare and precious domestic breeds (including fine genes in plant, animal husbandry, and aquatic products industries).
- Construction of animal and plant nature reserves.
- Processing of green tea and specialty teas (famous teas, black tea, etc.).

**Section 2. Light Industry.**

- Ivory carving and tiger-bone processing
- Hand-made carpets.
- Bodiless lacquerware.
- Enamel products.
- Blue and white porcelain.
- Xuan paper and ingot-shaped tablets of Chinese ink.

**Section 3. Trade and Finance.**

- Commodity futures, financial futures, and other financial derivative business.

Section 4. Other Industries Prohibited by Provisions of the State or International Treaties that China has Concluded or Acceded.